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13 Attorneys for PAUL PEJMAN EDALAT, an individual, OLIVA KARPINSKI, an  
14 individual, FARAH BARGHI, an individual, SENTAR PHARMACEUTICALS,  
15 INC., a Nevada Corporation, BLUE TORCH VENTURES, INC., a Wyoming  
16 Corporation, LIWA, N. A., a Wyoming Corporation, SENTUS LAND  
17 MANAGEMENT, LLC, a Wyoming Limited Liability Company

18  
19 UNITED STATES DISTRICT COURT  
20  
21 FOR THE CENTRAL DISTRICT STATE OF CALIFORNIA  
22  
23 SOUTHERN DIVISION  
24

25 BRUCE CAHILL, an individual, Greg  
26 Cullen, an individual, Shane Scott, an  
27 individual and Pharma Pak, Inc. a  
28 California Corporation.

Plaintiffs,

Case No.: 8:16-cv-00686-AG-DFM

OPPOSITION TO THE MOTIONS  
TO DISMISS 1 & 2 BY THE CROSS-  
COMPLAINTS OF PAUL EDALAT

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vs.

PAUL PEJMAN EDALAT, an  
individual, OLIVA KARPINSKI, an  
individual, FARAH BARGHI, an  
individual, SENTAR  
PHARMACEUTICALS, INC., a  
Nevada Corporation, BLUE TORCH  
VENTURES, INC., a Wyoming  
Corporation, LIWA, N. A., a Wyoming  
Corporation, SENTUS LAND  
MANAGEMENT, LLC, a Wyoming  
Limited Liability Company,  
Defendants.

Hearing date: 9/19/2016  
Time: 10:00 a.m.  
Courtroom: 10D

1 To the Honorable Court and all parties in interest:

2 PAUL EDALAT filed First Amended Cross-Complaint in the present  
3 litigation in lieu of wasting the court time in explaining their respective positions.  
4 The new First Amended Complaints has now been filed and the Cross-Defendants  
5 have filed two new Motions to Dismiss to this single Complaint. The first motion  
6 is that the complaint was filed late and that the complaint was filed untimely and  
7 that the court should have been requested to approve the new parties being added.  
8 On that issue, this would have been something done by the Counsel and Durst  
9 hereby accepts all responsible and hereby request that the Court approve the filing  
10 of the First Amended Counter – Claim and Cross-Complaint, including the  
11 additional new claimants. They have been added to the complaint because while  
12 doing research of the on some of the criminal actives, we found other victims of  
13 the Cahill criminal organizations actions. Additionally one of the Shareholders  
14 who was out of the country at the time of these action by Cahill and group has  
15 returned and is seeking redress for the Cahill actions where his investment has  
16 been stolen by Cahill and company. Likewise, there is nothing futile causing this  
17 court to loose jurisdiction on these issues.  
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19  
20 As to the other issues:

- 21 1. Counter – Claimant has fully plead information about these counter-  
22 defendants’ RICO actions. The complaint has documents and direct  
23 statements showing that Edalat has been injured by the actions of these  
24 Cross-Defendants. The counter-complaint runs about 85 pages without the  
25 attached exhibits. Edalat has set forth facts showing the criminal actions of  
26 these parties and in the recent initial disclosures she has listed about 100  
27 witnesses covering all of the wrongful actions of these parties. Paragraph 59  
28 sets forth the provisions of the law and that paragraph was incorporated by

1 reference into the RICO claim for relief, along with the list of illegal actions  
2 done by Cahill that are directly related to the RICO Statute. All of the  
3 requirements of this claim have been set out to the court and the Cross-  
4 Defendants.

- 5 2. All of these state claims have a basis of the federal issues set forth in the  
6 answer to the complaint and the counter-claims starting with the RICO issue.
- 7 3. As to the Fraud claim by Edalat, he has certainly set for the required  
8 elements for a Fraud Claim. Likewise, when the complaint claims that there  
9 has been sale of illegal Schedule 1 drugs over state lines and International  
10 borders, we have Interstate Commerce. Embezzlement is a part of the  
11 RICO claim as well as an action where Edalat is a victim of the criminal  
12 actions of Cahill.
- 13 4. Breach of Contract. Edalat has plead more than sufficient facts to show the  
14 contract, the breach by Cahill, Edalat's performance and the damages to  
15 Edalat.
- 16 5. Breach of Fiduciary Duties. Cahill was an offer of the company and when he  
17 found that he had been reported to the authorities, he closed down business  
18 and moved it to San Diego County taking all the money, and company  
19 equipment and also a number of the company's clients. All of these facts  
20 have been plead by Edalat.
- 21 6. Breach of the Covenant of good faith and fair dealings. Edalat has plead the  
22 contract, the its breach by stealing the company money, its equipment,  
23 customers, firing all the employees of the company because they reported to  
24 Edalat that there was illegal materials on the site and Edalat's reporting the  
25 materials to the Irvine Police Department and then denying the existence of  
26 the contract with Edalat and the other shareholders.
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- 28

7. Edalat has alleged sufficient facts to show the breach of fiduciary duties to him and the other shareholders of the company that have been directly damaged by Cahill's actions.
8. Edalat has alleged sufficient facts to show the fraud to him and the other shareholders of the company that have been directly damaged by Cahill's actions.
9. MediPatch is a company that was raided by Cahill's henchmen, stole products, used equipment illegally, stole power to run the equipment and it was all part of the conspiracy to produce illegal schedule 1 products for sale across state and federal borders. While the Court did not grant us a motion to add this party they are directly related to the RICO action and have been damaged by Cahill and company's actions. We would respectfully request that this party be allowed to remain in this action because if need be we would have to file a new complaint, do a motion to consolidate with this case. We were trying to make matters simpler for the court.

## MEMORANDUM OF POINTS AND AUTHORITIES

### RICO

#### **1964. Civil remedies**

( The district courts of the United States shall have jurisdiction to prevent and a restrain violations of section 1962 of this chapter by issuing appropriate ) orders, including, but not limited to: ordering any person to divest himself of any interest, direct or indirect, in any enterprise; imposing reasonable restrictions on the future activities or investments of any person, including, but not limited to, prohibiting any person from engaging in the same type of endeavor as the enterprise engaged in, the activities of which affect interstate

or foreign commerce; or ordering dissolution or reorganization of any enterprise, making due provision for the rights of innocent persons.

( The Attorney General may institute proceedings under this section. Pending final determination thereof, the court may at any time enter such restraining orders or prohibitions, or take such other actions, including the acceptance of satisfactory performance bonds, as it shall deem proper.

( Any person injured in his business or property by reason of a violation of section 1962 of this chapter may sue therefor in any appropriate United States district court and shall recover threefold the damages he sustains and the cost of the suit, including a reasonable attorney's fee,

except that no person may rely upon any conduct that would have been actionable as fraud in the purchase or sale of securities to establish a violation of section 1962. The exception contained in the preceding sentence does not apply to an action against any person that is criminally convicted in connection with the fraud, in which case the statute of limitations shall start to run on the date on which the conviction becomes final.

( A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this chapter shall estop the defendant from denying the essential allegations of the criminal offense in any subsequent civil proceeding brought by the United States.

## **Title 18. CRIMES AND CRIMINAL PROCEDURE**

### **Part I. CRIMES**

#### **Chapter 96. RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS**

**1962. Prohibited activities**

- (a) It shall be unlawful for any person who has received any income derived, directly or indirectly, from a pattern of racketeering activity or through collection of an unlawful debt in which such person has participated as a principal within the meaning of section 2, title 18, United States Code, to use or invest, directly or indirectly, any part of such income, or the proceeds of such income, in acquisition of any interest in, or the establishment or operation of, any enterprise which is engaged in, or the activities of which affect, interstate or foreign commerce. A purchase of securities on the open market for purposes of investment, and without the intention of controlling or participating in the control of the issuer, or of assisting another to do so, shall not be unlawful under this subsection if the securities of the issuer held by the purchaser, the members of his immediate family, and his or their accomplices in any pattern or racketeering activity or the collection of an unlawful debt after such purchase do not amount in the aggregate to one percent of the outstanding securities of any one class, and do not confer, either in law or in fact, the power to elect one or more directors of the issuer.
- (b) It shall be unlawful for any person through a pattern of racketeering activity or through collection of an

1 unlawful debt to acquire or maintain, directly or  
 2 indirectly, any interest in or control of any enterprise  
 3 which is engaged in, or the activities of which affect,  
 4 interstate or foreign commerce.

5 (c) It shall be unlawful for any person employed by or  
 6 associated with any enterprise engaged in, or the  
 7 activities of which affect, interstate or foreign  
 8 commerce, to conduct or participate, directly or  
 9 indirectly, in the conduct of such enterprise's affairs  
 10 through a pattern of racketeering activity or collection  
 11 of unlawful debt.

12 (d) It shall be unlawful for any person to conspire to violate  
 13 any of the provisions of subsection (a), (b), or (c) of this  
 14 section.

15 **Cite as 18 U.S.C. 1962**

16 Embezzlement under California Penal Code 503 & 504

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 19 *“Embezzlement is the fraudulent appropriation of property by a person to*  
 20 *whom it has been entrusted.”*

21 Cite as Ca. Pen. Code § 503

22  
 23 *“Every officer of this state, or of any county, city, city and county, or other*  
 24 *municipal corporation or subdivision thereof, and every deputy, clerk, or*  
 25 *servant of that officer, and every officer, director, trustee, clerk, servant, or*  
 26 *agent of any association, society, or corporation (public or private), who*  
 27 *fraudulently appropriates to any use or purpose not in the due and lawful*  
 28 *execution of that person's trust, any property in his or her possession or*



1 *under his or her control by virtue of that trust, or secretes it with a fraudulent*  
 2 *intent to appropriate it to that use or purpose, is guilty of embezzlement.*

3 Cite as Ca. Pen. Code § 504

4 Edalat has covered this in detail in his complaint.

5  
 6 *California Corporations Code Section §2253:*

7  
 8 *“Any director of a stock corporation, domestic or foreign, who concurs in*  
 9 *any vote or act of the directors of the corporation or any of them, knowingly*  
 10 *and with dishonest or fraudulent purpose, to make any dividend or*  
 11 *distribution of assets except in the cases and in the manner allowed by law,*  
 12 *either with the design of defrauding creditors or shareholders or of giving a*  
 13 *false appearance to the value of the stock and thereby defrauding subscribers*  
 14 *or purchasers, is guilty of a misdemeanor, punishable by a fine of not more*  
 15 *than one thousand dollars (\$1,000) or imprisonment for not more than one*  
 16 *year or both.”*

17 *California Corporations Code §2254.*

18  
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 20 *Every director, officer or agent of any corporation, domestic or foreign, is*  
 21 *guilty of a felony (a) who knowingly concurs in making, publishing or posting*  
 22 *either generally or privately to the shareholders or other persons (1) any*  
 23 *written report, exhibit, statement of its affairs or pecuniary condition or*  
 24 *notice containing any material statement which is false, or (2) any untrue or*  
 25 *willfully or fraudulently exaggerated report, prospectus, account, statement*  
 26 *of operations, values, business, profits, expenditures or prospects, or (3) any*  
 27 *other paper or document intend to produce or give, or having a tendency to*  
 28 *produce or give, the shares of stock in such corporation a greater value or a*

1 *less apparent or market value than they really possess, or (b) who refuses to*  
 2 *make any book entry or post any notice required by the law in manner*  
 3 *required by law.*

4  
 5 Penal Code § 472

6 *“Every person who, with intent to defraud another, forges, or counterfeits the*  
 7 *seal of this State, the seal of any public officer authorized by law, the seal of*  
 8 *any Court of record, or the seal of any corporation, or any other public seal*  
 9 *authorized or recognized by the laws of this State, or of any other State,*  
 10 *Government, or country, or who falsely makes, forges, or counterfeits any*  
 11 *impression purporting to be an impression of any such seal, or who has in his*  
 12 *possession any such counterfeited seal or impression thereof, knowing it to*  
 13 *be counterfeited, and willfully conceals the same, is guilty of forgery.”*

14  
 15 FORGERY UNDER CALIFORNIA PENAL CODE SECTION 470 (b) &  
 16 (d) PENAL CODE §472:

17 *“(b) Every person who, with the intent to defraud, counterfeits*  
 18 *or forges the seal or handwriting of another is guilty*  
 19 *of forgery.”*

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 23 *“(d) Every person who, with the intent to defraud, falsely*  
 24 *makes, alters, forges, or counterfeits, utters, publishes, passes*  
 25 *or attempts or offers to pass, as true and genuine, any of the*  
 26 *following items, knowing the same to be false, altered, forged,*  
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1           *or counterfeited, is guilty of forgery: any check, bond, bank*  
2           *bill, or note, cashier's check, traveler's check, money order,*  
3           *post note, draft, any controller's warrant for the payment of*  
4           *money at the treasury, county order or warrant, or request for*  
5           *the payment of money, receipt for money or goods, bill of*  
6           *exchange, promissory note, order, or any assignment of any*  
7           *bond, writing obligatory, or other contract for money or other*  
8           *property, contract, due bill for payment of money or property,*  
9           *receipt for money or property, passage ticket, lottery ticket or*  
10           *share purporting to be issued under the California State*  
11           *Lottery Act of 1984, trading stamp, power of attorney,*  
12           *certificate of ownership or other document evidencing*  
13           *ownership of a vehicle or undocumented vessel, or any*  
14           *certificate of any share, right, or interest in the stock of any*  
15           *corporation or association, or the delivery of goods or*  
16           *chattels of any kind, or for the delivery of any instrument of*  
17           *writing, or acquittance, release or discharge of any debt,*  
18           *account, suit, action, demand, or any other thing, real or*  
19           *personal, or any transfer or assurance of money, certificate of*  
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1        *shares of stock, goods, chattels, or other property whatever, or*  
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3        *any letter of attorney, or other power to receive money, or to*  
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5        *receive or transfer certificates of shares of stock or annuities,*  
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7        *or to let, lease, dispose of, alien, or convey any goods,*  
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9        *chattels, lands, or tenements, or other estate, real or personal,*  
10        *or falsifies the acknowledgment of any notary public, or any*  
11        *notary public who issues an acknowledgment knowing it to be*  
12        *false; or any matter described in subdivision (b). ”*

13        1. Penal Code § 472

14        *“Every person who, with intent to defraud another, forges, or*  
15        *counterfeits the seal of this State, the seal of any public officer*  
16        *authorized by law, the seal of any Court of record, or the seal of*  
17        *any corporation, or any other public seal authorized or*  
18        *recognized by the laws of this State, or of any other State,*  
19        *Government, or country, or who falsely makes, forges, or*  
20        *counterfeits any impression purporting to be an impression of*  
21        *any such seal, or who has in his possession any such*  
22        *counterfeited seal or impression thereof, knowing it to be*  
23        *counterfeited, and willfully conceals the same, is guilty of*  
24        *forgery.*

1  
2 Cahill and company have violated all of these laws as part of their scheme and to  
3 defraud Edalat and the other shareholders. The facts are set forth in the complaint.  
4

5 In the event that the Court does grant Cross-Defendants' motion, Edalat hereby  
6 request that he be allowed file a new amended Cross-Claim and that the other  
7 new cross-complainants be allowed to join this case.  
8  
9

10 DATED: September 9, 2016  
11

12 THE DURST FIRM

13 /S/ LEE H. DURST  
14

15 BY: \_\_\_\_\_  
16 LEE H. DURST  
17

18 DATED: September 9, 2016  
19

20 LAW OFFICES OF LARRY ROTHMAN

21 /S/ LARRY ROTHMAN  
22

23 BY: \_\_\_\_\_  
24 LARRY ROTHMAN  
25  
26  
27  
28

**PROOF OF SERVICE**

State of California, County of Orange

I am employed in the county and state aforesaid. I am over the age of 18 and not a party to the within action. My business address is 23 Corporate Plaza, Suite 150, Newport Beach, CA 92660.

On September 9, 2016, I served the foregoing document described as:  
**OPPOSITION TO THE MOTIONS TO DISMISS # 1 & # 2**  
on the parties listed below in this action by placing a true copy thereof or the originals via electronic mail through the ECF system of the United States District Court to the following

JMarkham@markhamread.com, BZerner@markhamread.com, &

ERead@markhamread.com

Attorneys for Plaintiffs & Cross-Defendants

TOCOLLECT@aol.com

Attorney for Defendants and Cross-Complainants

**[X] BY ELECTRONIC MAIL.** I caused the above document to be electronically mailed through the ECF system of the United States District Court. Executed on September 9, 2016, at Newport Beach, California.

**[X] FEDERAL.** I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

I declare under penalty of perjury under the laws of United States and the State of California that the above is true and correct.

/S/ Lee H. Durst

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Lee H. Durst